



# Brownfields Cleanup Revolving Loan Fund Pilot

## *New Orleans, LA*

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

### BACKGROUND

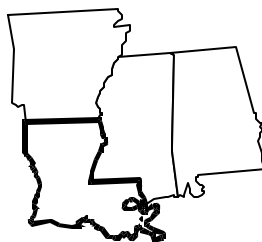
As a result of a shift from a port and oil service-based economy to a tourism-based economy, the City of New Orleans ranks second among the nation's 25 largest cities with the highest poverty rate. Roughly one-third of the city's population lives at or beneath the poverty level. In the past, wages in high-income industrial jobs in the oil and gas fields supported the port and shipbuilding operations. However, these jobs have given way to jobs paying only slightly above minimum wage.

New Orleans also has many environmental problems that hamper economic development. Multiple rail lines, wharves, and highways transect low-income areas in New Orleans. Abandoned warehouses, processing facilities, and transfer stations leave nearby residents to contend with soil and water pollution and general blight. These polluted sites deter future economic development and detract from the neighborhoods' quality of life.

### BCRLF OBJECTIVES

The BCRLF Pilot will be an important part of the city's rebuilding campaign—Rebuild New Orleans.

### PILOT SNAPSHOT



New Orleans, Louisiana

Date of Award:  
September 1997

Amount: \$350,000

BCRLF Target Area :  
Brownfields sites identified  
by the city's Brownfields  
Consortium.

#### Contacts:

Mayor's Office of  
Environmental Affairs  
(504) 565-8115

Regional Brownfields Team  
U.S. EPA - Region 6  
(214) 665-6736

Visit the EPA Region 6 Brownfields web site at:  
<http://www.epa.gov/earth1r6/6sf/bfpages/sfbfhome.htm>

For further information, including specific Pilot contacts,  
additional Pilot information, brownfields news and events, and  
publications and links, visit the EPA Brownfields web site at:  
<http://www.epa.gov/brownfields/>

The goal of the project is to properly clean up and revitalize the city's priority brownfields sites identified by the city's Brownfields Consortium. Through the Pilot program and other city-wide efforts, New Orleans plans to create healthy, safe, and sustainable communities through public/private partnerships and community participation in all brownfields cleanup and revitalization activities. The Pilot will achieve its goals by providing gap financing mechanisms for cleanup. The absence of such financing currently prevents the city from fully addressing the brownfields sites that negatively impact the environment, public health, and economic growth.

## FUND STRUCTURE AND OPERATIONS

The BCRLF will be used as a "master plan" for initiating and implementing site cleanup and certification activities. Eighty to eighty-five percent of the revolving loan fund will be used for cleanup and certification activities at priority sites. The remaining funds will be set aside to cover the costs of administering the BCRLF. To apply, potential borrowers will need to submit financial plans that include the applicant's capability to repay the loan, demonstration of equity and collateral, financial statements for the three to five previous years, a business plan, and the projected cash flow.

The city, through the Mayor's Office of Environmental Affairs (OEA), will supervise implementation of the BCRLF. OEA will partner with other city agencies to ensure that environmental cleanups conducted using BCRLF Pilot funds are conducted in conformance with the cooperative agreement with EPA, and with federal and state requirements.

## LEVERAGING OTHER RESOURCES

To help the borrowers with revitalization plans, OEA has partnered with the Louisiana Office of Public Health's Section of Environmental Epidemiology and Toxicology (SEET). SEET will provide health consultations for priority brownfields sites of public health concern. Health consultations provide advice and recommendations on specific, health-related questions associated with actual or potential human exposure to hazardous substances. Further, the city

has available various loan programs, financing resources, tax incentives, and tax credits to assist new and existing businesses (e.g., Neighborhood Commercial Revitalization Program loans and services, federal Enterprise Community bonds and loans, Restoration Tax Abatement Program, state Enterprise Zone Program tax credits, New Jobs Tax Credit Program tax credits).

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*Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.*

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